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Flue-Cured Tobacco Program - 1933-1963

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1933

The Agricultural Adjustment Act of 1933 (approved May 12, 1933) was passed too late to permit application of acreage restrictions on the 1933 crop.

1934

The regulations under the Kerr-Smith Act (approved 6-28-34) provided that for 1934 a tobacco base acreage would be established. Such act became the means for enforcing acreage allotments. Producers had four choices in selecting their base acreage (and base production) from one of the following:

- (a) The average acreage for 1931, 1932 and 1933,
- (b) 85 per cent of the average for any two years, 1930-1933, inclusive,
- (c) 80 per cent of 1933, or
- (d) 70 per cent of 1931 or 1932.

The purpose of the choice of the different bases was to give the farmer the highest possible base and thus, offset any years of abnormally low tobacco acreage. The acreage allotment was then calculated as 70 per cent of the base acreage selected by the producer.

1935

The same regulations were followed in establishing the 1935 base tobacco acreage and farm acreage allotment.

1936

For 1936 and 1937 there was no legislation of any kind which restricted the sale or production of tobacco. The program was voluntary and was operated under the provisions of the Agricultural Conservation Program. The farm base acreages for 1936 and 1937 were those established under the 1934-35 production adjustment contracts authorized by the Kerr-Smith Act (repealed 2-10-36).

When the Butler decision was rendered by the Supreme Court on January 6, 1936 the production adjustment contracts for the years 1936-1939 became invalid. However, the base acreages so established were carried forward into 1936 under the Agricultural Conservation Program for that year.

1937

The farm base acreages for 1937 were generally those established in 1936.

1938

In 1938, acreage allotments rather than base acreages were established under the Agricultural Conservation Program. Instructions provided that allotments would be in line with the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938. The allotment established took into account the harvested and diverted acreage of tobacco in the three years 1935, 1936 and 1937, with some adjustments for abnormal conditions affecting production.

It should be pointed out that the acreage allotments under the Agricultural Conservation Program were separate from the marketing quotas established later in the year under the tobacco quota provisions of the Agricultural Adjustment Act of 1938 (approved 2-16-38). The instructions for establishing the 1938 marketing quota program provided for the establishment of "normal marketings" equal to the sum of 75 per cent of the "adjusted past marketings" and 25 per cent of the "marketings for the farm indicated by land, labor and equipment". The "adjusted past marketings" was the average of the actual marketings from the farm in the three years 1935-1937 or the largest of any of the following items:

- (a) 33 1/3 per cent (the average) of the total adjusted harvested and diverted acreage in the three years, 1935-1937, times the farm yield.
- (b) 40 per cent of the total adjusted harvested and diverted acreage in the two years of the three years, 1935-1937, in which such acreage was the highest, times the farm yield.
- (c) 60 per cent of the highest adjusted harvested and diverted acreage in any one of the three years, 1935-1937, times the farm yield.

1939

For 1939, a preliminary marketing quota was established for each farm. Generally, the 1939 farm quota was the 1938 quota with some adjustments, not to exceed 20 per cent of the 1938 quota. The farm allotment for 1939 was determined by dividing the 1938 farm yield into the 1939 preliminary marketing quota. In a referendum held - December 10, 1938, farmers disapproved quotas on the 1939 crop.

1940 - 1963

For 1940, an acreage allotment was established for each farm. Generally, this was the average acreage of tobacco harvested and diverted from the farm in the five years, 1935-1939.

General

Flue-cured tobacco farm acreage allotments have been in effect continuously since 1940. The method applicable for determining flue-cured tobacco farm acreage allotments has not materially changed since 1940. The annual changes in the flue-cured national quota would cause a 1940 allotment of 10.0 acres to be 7.3 acres in 1963, a reduction of 27 per cent.

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